

**BEFORE THE ARIZONA CORPORATION COMMISSION****COMMISSIONERS**

Bob Burns - Chairman
Boyd Dunn
Sandra Kennedy
Justin Olson
Lea Marquez Peterson

**IN THE MATTER OF POSSIBLE
MODIFICATIONS TO THE ARIZONA
CORPORATION COMMISSION'S
ENERGY RULES.****DOCKET NO. RU-00000A-18-0284**

The Interwest Energy Alliance ("Interwest") submits these comments in response to the Arizona Corporation Commission's ("the Commission") Special Open Meeting on September 24, 2020, regarding consideration of Staff's proposed modifications to Arizona's energy rules as well as amendments proposed by each commissioner.

Interwest is the regional trade association for utility scale solar, wind and storage companies with coverage in six states across the west. Our members are the leading developers, operators and manufacturers in the renewable energy industry, as well as respected environmental NGOs. The companies that we represent account for billions of dollars in potential investments in the state of Arizona in the coming years.

Interwest has engaged in this process for more than a year, offering suggestions and information to inform the Commission's decision that we feel will lead to an outcome that moves Arizona's energy landscape in the right direction. We hope to see Arizona adopt a strategy that creates a competitive market for renewable energy resources, leading to reliable and low-cost provision of clean electricity.

Our members seek policy stability as they develop new projects with provisions to ensure demand for renewable energy. Staff's proposal will create this market and will support further investment in the state, creating rural jobs and new state revenues. While the proposal at large is prudent and Interwest supports its passage, there are a handful of specific provisions laid forth by commissioners that Interwest urges the Commission to support as improvements to the Staff proposal before final passage of the rules package.

- **50% renewable, 100% clean energy standards:** While there seems to be broad if not unanimous support for these standards, there is differing opinion on how to get there. As prices of solar and wind continue to decline, undercutting energy costs of coal and natural gas, moving towards these goals sooner rather than later is desirable, and providing measured interim

benchmarks along the way encourages thoughtful planning that aids in developing project pipelines and reducing costs.

- **Integrated Resource Planning (“IRP”):** The IRP process should provide meaningful opportunities for stakeholder engagement and input from start to finish, with ample possibilities for modeling and data collection. Modeling during the IRP process will inform future procurement decisions; a robust analysis of current market prices, opportunities for participation in regional markets, and identification of uneconomical resources is critical to ensuring that future decisions are in the public interest.
- **All Source Request for Proposals (“ASRFP”):** An ASRFP is the best way to produce high responses to procurement needs and ensure low-cost bids that leverage market forces. An ASRFP should follow on the IRP process, contemplating the utility’s load forecast and identified needs to produce an ASRFP that is neutral to resource type, location and vendor. An ASRFP is preferable to a request for information (“RFI”), which can provide stale data and contributes to higher costs for end users. Interwest opposes a move toward an RFI in place of an ASRFP.
- **Independent Monitor (“IM”):** Whether or not the Commission decides to adopt the RPAC concept contemplated elsewhere, Interwest feels that an IM is crucial to overseeing an ASRFP process that is fair to all parties. The IM should be selected in a way that ensures impartiality towards any particular party. An IM must be truly independent, reporting to the Commission rather than the utility.

Interwest appreciates this opportunity to provide feedback on yesterday’s discussion regarding the modernization of Arizona’s energy rules. It is important to move forward with some version of the Staff proposal and amendments provided by commissioners, and we hope to see action taken that will strengthen Arizona’s market for renewable energy. Interwest looks forward to future meetings as the Commission decides how to move this issue forward.

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